

## **Notice of Annual General Meeting**

---

Notice is hereby given that the Annual General Meeting (**AGM**) of Nick Scali Limited (the **Company**) will be held virtually at:

Date: 27 October 2020  
Time: 12 pm (Sydney time)  
Platform: Online at <https://agmlive.link/NCK20>

### **1. AGENDA**

#### **Consideration of Reports**

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 30 June 2020.

#### **Ordinary Business**

##### **Resolution 1 – Remuneration Report**

To consider and, if thought fit, pass the following as an **ordinary resolution**:

*"To adopt the Remuneration Report of the Company for the year ended 30 June 2020 as set out on pages 9 to 14 of the Annual Report."*

Under the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company.

##### **Resolution 2 – Re-election of Director Ms Carole Molyneux-Richards**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That Ms Carole Molyneux-Richards, who retires by rotation in accordance with the Company's Constitution rule 7.1(f), be re-elected as a Director of the Company."*

##### **Resolution 3 – Election of Director Mr William (Bill) Koeck**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That Mr William (Bill) Koeck, who, having been appointed as a Director since the last general meeting of the Company retires in accordance with the Company's Constitution rule 7.1(d), be elected as a Director of the Company."*

### **2. VOTING EXCLUSION STATEMENTS**

#### **Resolution 1 – Remuneration Report**

The Company will disregard any votes cast (in any capacity) in favour of Resolution 1 by or on behalf of:

- a) a member of the Key Management Personnel as disclosed in the Remuneration Report; and
- b) a Closely Related Party of those persons.

However, the Company need not disregard a vote cast in favour of a resolution if:

- it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions on the Proxy Form;

- it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy or attorney decides; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided that the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution, and the holder votes on the resolution in accordance with the directions given by the beneficiary.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 1 as a proxy by a member of the Key Management Personnel at the date of the AGM, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman where the proxy appointment expressly authorises the Chairman to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the Key Management Personnel.

If Shareholders (including nominees, trustees, custodians or fiduciaries) have questions on the voting restrictions outlined above, they should contact the Company's share registrar, Link Market Services Limited (**Link Market Services**).

For further information, please refer to the Explanatory Memorandum which forms part of this Notice of Meeting.

### 3. ENTITLEMENT TO ATTEND AND VOTE

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) and the ASX Settlement Operating Rules, Company shares will be taken to be held by persons who are registered as Shareholders at 7:00pm (Sydney time) on 25 October 2020. Accordingly, transfers of shares in the Company registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

By Order of the Board

**Christopher Malley**

Company Secretary

25 September 2020

## Important Notes Regarding COVID-19 and Participation in the AGM

In response to Government restrictions and the potential health risks associated with COVID-19, the Company's AGM will be held virtually this year. The AGM will commence at **12:00pm (Sydney time) on Tuesday, 27 October 2020** at <https://agmlive.link/NCK20>.

In accordance with the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*, each vote on a resolution set out in the Notice of Meeting will be decided on a poll.

If you are entitled to vote at the AGM, you can exercise your vote in the following ways:

### 1. Cast your vote online during the AGM via the online platform

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the AGM using the instructions below:

Enter <https://agmlive.link/NCK20> into a web browser on your computer or online device:

- **(Register as a Shareholder)** Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Direct Voting Form; and
- **(Register as a proxyholder)** Proxyholders will need their proxy code which Link Market Services will provide via email no later than 24 hours prior to the AGM.

Further information on how to participate virtually is set out in this Notice of Meeting and the Online Platform Guide accompanying this Notice of Meeting and made available at <https://www.nickscali.com.au/investor-information>

Online voting will be open between the commencement of the Meeting at 12:00 pm (Sydney time) on 27 October 2020 and the time at which the Chair announces voting closure.

### 2. Appoint a Proxy to cast your vote during the AGM

If you are a Shareholder entitled to vote, you may appoint an individual or a body corporate to vote as a proxy. If a body corporate is appointed as a proxy, the body corporate must ensure that it appoints a corporate representative in accordance with Section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

If you are entitled to cast two or more votes, you may nominate one or two persons to vote on your behalf at the AGM. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. Fractions of votes resulting from the appointment of proxies will be disregarded. If no such number or proportion is specified, each proxy may exercise half your votes. A Proxy Form and a reply paid envelope have been included for members with this Notice of Meeting. Proxy voting instructions are provided on the back of the Proxy Form.

A proxy need not be a holder of shares in the Company. If you wish to direct a proxy on how to vote on a Resolution, place a mark (e.g. a cross) in the appropriate box on the Proxy Form and your votes may only be exercised in that manner. You may split your voting direction by inserting the number of shares or percentage of shares that you wish to vote in the appropriate box.

The Proxy Form must be given by post, fax, delivery or online and received by the Company's share registrar, Link Market Services, by no later than 12:00pm (Sydney time) on 25 October 2020, being 48 hours before the AGM:

By post: Nick Scali Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

By facsimile: In Australia 02 9287 0309  
From outside Australia 61 2 9287 0309

By delivery: Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

or

Level 12, 680 George Street  
Sydney South NSW 2000

Online <https://investorcentre.linkmarketservices.com.au/Login/Login>

Any revocations of proxies must be received at one of these places before the commencement of the AGM.

An ordinary resolution will be passed where more than 50% of the eligible votes cast are in favour of it.

### **AGM Considerations and Shareholder Questions**

A discussion will be held on all items to be considered at the AGM.

All Shareholders will have a reasonable opportunity to ask questions during the AGM via the virtual AGM platform, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following:

- all Shareholder questions should be stated clearly and should be relevant to the business of the AGM, including matters arising from the Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of the Company;
- if a Shareholder has more than one question on an item, all questions should be asked at the one time; and
- Shareholders should not ask questions at the AGM regarding personal matters or those that are commercial in confidence.

Shareholders who prefer to register questions in advance of the AGM are invited to do so. A Shareholder Question Form has been included with this Notice of Meeting and is also available on the Company's website: [www.nickscali.com.au/investor-information](http://www.nickscali.com.au/investor-information)

We will attempt to address the more frequently asked questions in the Chairman and Group Managing Director's presentations to the AGM. Written questions must be received by the Company or Link Market Services by 12:00 pm (Sydney time) on 25 October 2020, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

The attached Explanatory Memorandum explains the items of business to be considered at the AGM and forms part of, and should be read in conjunction with, this Notice of Meeting. Capitalised terms in this Notice of Meeting are defined in the Explanatory Memorandum.

## Annual General Meeting – Explanatory Memorandum

### 1. Ordinary Business

#### 1.1 Consideration of the Reports

In accordance with the requirements of the Corporations Act, the Financial Report, Directors' Report and Independent Auditor's Report of the Company for the most recent financial year, which are included in the Company's Annual Report, will be laid before the meeting. Shareholders will be provided with the opportunity to ask questions about the reports or about the Company generally, but there will be no formal resolution put to the meeting. The Auditor will be available at the meeting to answer any questions in relation to the Auditor's Report or the conduct of the audit of the Financial Report.

#### 1.2 Resolution 1 – Remuneration Report

The Corporations Act requires listed companies to put a Remuneration Report relating to director and executive remuneration for each financial year to a resolution of members at their Annual General Meeting. The Remuneration Report is included on pages 9 to 14 of the Company's Annual Report, which accompanies this Notice of Meeting.

The Remuneration Report outlines the remuneration arrangements in place for directors and executives of the Company, and summarises the Company's remuneration philosophy as well as providing details of the Remuneration and Human Resources Committee, which is a Board sub-committee.

Under section 250R(3) of the Corporations Act, the vote on the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. A company that receives 'no' votes of 25 percent or more against the Remuneration Report at two successive AGMs must then put a "board spill" resolution to shareholders, pursuant to section 250V of the Corporations Act. At the Company's previous annual general meeting the votes cast against the remuneration Report considered at that annual general meeting were less than 25%. Accordingly the spill resolution is not relevant for this AGM.

**The Chairman intends to vote all undirected proxies in favour of Resolution 1.**

#### 1.3 Resolution 2 – Re-election of Director Ms Carole Molyneux-Richards

In accordance with rule 7.1(f) of the Company's Constitution, Ms Carole Molyneux-Richards retires from office at this general meeting, and being eligible to do so, offers herself for re-election.

##### **Ms Carole Molyneux-Richards – Independent Non-Executive Director**

Ms Molyneux-Richards was appointed to the Board as non-executive Director on 26 June 2014. She is the Chairman of the Remuneration and Human Resources Committee and a member of the Audit Committee. Ms Molyneux-Richards was previously Chief Executive Officer of Suzanne Grae for 18 years until 2013 and is a former independent non-executive Director of White Ribbon Australia.

**The Chairman intends to vote all undirected proxies in favour of Resolution 2.**

#### 1.4 Resolution 3 – Election of Director Mr William (Bill) Koeck

In accordance with rule 7.1(d) of the Company's Constitution, Mr William (Bill) Koeck retires from office at this general meeting, and being eligible to do so, offers himself for re-election.

##### **Mr William (Bill) Koeck – Independent Non-Executive Director**

Mr Koeck was appointed to the Board on 1 August 2020. He is a member of both the Audit Committee and the Remuneration and Human Resources Committee. Mr Koeck is an experienced legal adviser with over 40 years of experience in mergers and acquisitions, equity capital markets, private equity, restructuring and corporate governance. He is a member of the Takeovers Panel, independent non-executive Chairman of Coronado Global resources Inc (CRN) and non-executive Director of Poulos Bros. Group.

**The Chairman intends to vote all undirected proxies in favour of Resolution 3.**

## 2. Glossary

**AGM** means the 2020 annual general meeting of the Company.

**ASX** means the Australian Securities Exchange.

**Board** means the Board of Directors of the Company.

**Closely Related Party** has the meaning given to it in the *Corporations Act 2001* (Cth).

**Company** means Nick Scali Limited (ABN 82 000 403 896).

**Direct Voting Form** means the direct voting form, attached as Attachment B.

**Explanatory Memorandum** means the explanatory memorandum which forms part of this Memorandum.

**Key Management Personnel** has the meaning given to it in the *Corporations Act 2001* (Cth).

**Listing Rules** means the listing rules of the ASX.

**Memorandum** means all of the documents accompanying the Notice of Meeting and referred to in the contents section.

**Notice of Meeting** means the notice of meeting which forms part of this Memorandum.

**Proxy Form** means the proxy form for the AGM, attached as Attachment A.

**Resolution** means a resolution in the Notice of Meeting.

**Shareholder** means a person who holds shares in the Company.

**Shareholder Question Form** means the form through which shareholders may submit questions in advance of the AGM, attached as Attachment B and which is also available on the Company's website: [www.nickscali.com.au/investor-information](http://www.nickscali.com.au/investor-information)

**Online Platform Guide** means the guide attached as Attachment C, and available on the Company's website: [www.nickscali.com.au/investor-information](http://www.nickscali.com.au/investor-information)

**Attachment A – Proxy Form**





## LODGE YOUR VOTE

 **ONLINE**  
www.linkmarketservices.com.au

 **BY MAIL**  
Nick Scali Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney South NSW 2000

 **ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of Nick Scali Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **12:00pm (Sydney time) on Tuesday, 27 October 2020** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/NCK20> (refer to the **Notice of Annual General Meeting and Explanatory Notes** available on Nick Scali's website at <https://www.nickskali.com.au/investor-information>).

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**


STEP 1

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3 Election of Director Mr William (Bill) Koeck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director Ms Carole Molyneux-Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 \* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

NCK PRX2001N



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au) prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **12:00pm (Sydney time) on Sunday, 25 October 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

Nick Scali Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

or

Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)


**Attachment B – Shareholder Question Form**

## LODGE YOUR QUESTIONS

 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

 **BY MAIL**  
 Nick Scali Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND**  
 Link Market Services Limited  
 1A Homebush Bay Drive, Rhodes NSW 2138; or  
 Level 12, 680 George Street, Sydney South NSW 2000

 **ALL ENQUIRIES TO**  
 Telephone: +61 1300 554 474



**X99999999999**

Please use this form to submit any questions about Nick Scali Limited (“the Company”) that you would like us to respond to at the Company’s 2020 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company’s auditor it should be relevant to the content of the auditor’s report, or the conduct of the audit of the financial report.

This form must be received by the Company’s share registrar, Link Market Services Limited, by **12:00 pm (Sydney time) on 25 October 2020**.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company’s auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

My question relates to *(please mark the most appropriate box)*

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report              | <input type="checkbox"/> Sustainability/Environment        | <input type="checkbox"/> Other              |
| <input type="checkbox"/> My question is for the auditor   | <input type="checkbox"/> Future direction                  |   |


- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report              | <input type="checkbox"/> Sustainability/Environment        | <input type="checkbox"/> Other              |
| <input type="checkbox"/> My question is for the auditor   | <input type="checkbox"/> Future direction                  |   |


**QUESTIONS**